



SunMoon Food Company Limited
(Incorporated in the Republic of Singapore)
(Company Registration No. 198304656K)

**VARIANCE BETWEEN UNAUDITED AND AUDITED FULL YEAR FINANCIAL RESULTS FOR
THE FINANCIAL YEAR ENDED 31 MARCH 2023**

The Board of Directors (the “Board” or “Directors”) of SunMoon Food Company Limited (the “Company”), together with its subsidiaries (collectively, the “Group”) refers to the unaudited full year financial results for the financial year ended 31 March 2023 (“FY2022/23”) released via SGXNet on 17 May 2023 (“17 May announcement”).

Pursuant to Rule 704(6) of the Listing Manual of Main Board of the Singapore Exchange Securities Limited, the Board wishes to announce the variances between the audited financial statements and the unaudited full year financial results of the Group for FY2022/23.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | <u>Group</u> | | |
|---|--------------|----------------------|------------------------|
| | Note | Audited 31-Mar-23 | Unaudited 31-Mar-23 |
| | | \$ '000 | \$ '000 |
| Revenue | | 42,368 | 42,368 |
| Cost of sales | | (41,490) | (41,490) |
| Gross profit | | 878 | 878 |
| Other income | | 388 | 388 |
| Selling & Distribution expenses | | (628) | (628) |
| Administrative expenses | A | (2,882) | (1,494) |
| Other expenses | | (11) | (11) |
| Finance costs | | (30) | (30) |
| Loss before income tax | | (2,285) | (897) |
| Income tax expense | | - | - |
| Net loss for the financial year | | (2,285) | (897) |
| Other comprehensive(loss)/ income: | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | |
| Exchange difference arising from translation of foreign operations | | (607) | (636) |
| Other comprehensive(loss)/ income for the financial year, net of income tax: | | (607) | (636) |
| Total comprehensive loss for the financial year | | (2,892) | (1,533) |
| Net (loss)/profit attributable to: | | | |
| Equity holders of the Company | | (1,996) | (608) |
| Non-controlling interests | | (289) | (289) |
| Total comprehensive (loss)/income attributable to: | | | |
| Equity holders of the Company | | (2,603) | (1,244) |
| Non-controlling interests | | (289) | (289) |
| Loss per share attributable to equity holders of the Company (Cents per share) | | | |
| Basic and diluted loss per share | | (0.26) | (0.08) |

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

| | <u>Group</u> | | <u>Company</u> | |
|--|------------------|------------------|------------------|------------------|
| | <u>Audited</u> | <u>Unaudited</u> | <u>Audited</u> | <u>Unaudited</u> |
| | <u>31-Mar-23</u> | <u>31-Mar-23</u> | <u>31-Mar-23</u> | <u>31-Mar-23</u> |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| ASSETS | | | | |
| Non-current assets | | | | |
| Investment in subsidiaries | - | - | 9,307 | 9,307 |
| Financial assets, at fair value through profit or loss("FVPL") | - | - | - | - |
| Plant and equipment | 43 | 43 | - | - |
| Total non-current assets | 43 | 43 | 9,307 | 9,307 |
| Current assets | | | | |
| Cash and cash equivalents | 1,634 | 1,634 | 100 | 100 |
| Trade and other receivables | 10,148 | 11,507 | 25 | 25 |
| Inventories | 908 | 908 | - | - |
| Total current assets | 12,690 | 14,049 | 125 | 125 |
| Total assets | 12,733 | 14,092 | 9,432 | 9,432 |
| | | | | |
| Equity attributable to equity holders of the Company | | | | |
| Share capital | 141,887 | 141,887 | 141,887 | 141,887 |
| Other reserves | 16,097 | 16,068 | 18,085 | 18,085 |
| Accumulated losses | (152,556) | (151,168) | (151,903) | (151,903) |
| | 5,428 | 6,787 | 8,069 | 8,069 |
| Non-Controlling interests | (268) | (268) | - | - |
| Total equity | 5,160 | 6,519 | 8,069 | 8,069 |
| | | | | |
| Non-current liability | | | | |
| Borrowings | 9 | 9 | - | - |
| Total non-current liability | 9 | 9 | - | - |
| | | | | |
| Current liabilities | | | | |
| Borrowings | 608 | 608 | - | - |
| Trade and other payables | 6,956 | 6,956 | 1,363 | 1,363 |
| Current tax liabilities | - | - | - | - |
| Total current liabilities | 7,564 | 7,564 | 1,363 | 1,363 |
| Total liabilities | 7,573 | 7,573 | 1,363 | 1,363 |
| Total liabilities and equity | 12,733 | 14,092 | 9,432 | 9,432 |

Notes:

- A. The variance is due to the recognition of expected credit losses ("ECL") for trade receivables amounting to S\$1,388,000 following the reassessment of credit risk of certain long outstanding customers based on latest development taking into consideration the customer risk characteristic, aging profile, country risk, historical payments, subsequent receipts and further negotiation with the respective customers after full year result announcement which was released on 17 May 2023.
- B. The variance in the statement of financial position of S\$1,359,000 was due to item A as stated above and the impact of currency translation stated in item C below.
- C. The variance of \$29,000 was pertaining to foreign currency translation reserve arose from the recognition of ECL for trade receivables of subsidiaries with different functional currency.

BY ORDER OF THE BOARD

Mr Zhang Ye
Director/CEO

12 July 2023